

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 733 - SB 1424**

March 24, 2011

**SUMMARY OF BILL:** Changes, from November 1 to July 1, the date by which the Commissioner of Education must submit the Department of Education's annual report to the Governor, the General Assembly, news media, local government offices and legislative bodies, chambers of commerce, and public libraries.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$385,000/One-Time  
\$9,862,000/Recurring**

**Increase Local Expenditures – \$52,080,000/One-Time  
\$8,680,000/Recurring**

**Assumptions:**

- The Commissioner's annual report includes TCAP performance scores and value-added assessment data.
- The TCAP testing period will not change.
- To meet the July 1 deadline, the state will implement an online testing structure in order to get the TCAP tests to the regional testing centers faster. Currently the tests are sent to the testing centers in a hard copy format.
- The online testing structure will cost \$9.75 per student for 930,000 students annually in grades 3-12; a total of \$9,067,500 ( $\$9.75 \times 930,000$ ).
- The Department of Education will require four additional positions for processing and reporting of tests and aggregation of data. The department estimates that these positions will cost \$70,000 each in salary (\$54,200) and benefits (15,800) resulting in a total cost of \$280,000 ( $\$70,000 \times 4$ ).
- The state will ask for a special test report of the ACT scores for the July 1 report. According to the DOE, this special report will cost \$400 per district resulting in a total cost of \$54,400 ( $\$400 \times 136$  districts).
- Website and maintenance for the state reporting mechanisms will cost \$470,000 in recurring state expenditures and \$385,000 in one-time state expenditures.
- The increase in recurring state expenditures will be \$9,862,000 ( $\$9,057,500$  testing + \$280,000 personnel + \$54,500 ACT + \$470,000 website and maintenance).
- According to the Department of Education, each school will upgrade its technology in order to set up secure electronic transmission lines to the testing centers. The DOE

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estimates that each school will require \$30,000 in upgrades. The one-time increase in local expenditures for technology upgrades will be \$52,080,000 (\$30,000 x 1,736 schools).

- There will be recurring expenditures for LEAs to annually maintain their equipment and additional professional development at a recurring cost of \$5,000 to \$10,000 per school. The recurring increase in local expenditures will be \$8,680,000 (\$5,000 x 1,736 schools).

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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